



FOREIGN POLICY bulletin

AN ANALYSIS OF CURRENT INTERNATIONAL EVENTS

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The French Dilemma in Algeria

by Mario Rossi

The situation in Algeria has reached the stage in which the French government appears unable either to cope with the widespread rebellion of the local population or to come to terms with it. With the passing of time the tragic chain reaction of terror and violence breeds conditions that resemble Indochina before the showdown. Important segments of the French press now recognize that unless this "cancer" is cured, the country's foreign and domestic position will remain unsettled. Washington, not less than Western Europe and North Africa, appears to share this view.

The time has long since passed when Algeria could be considered an exclusive French concern. Because of Algeria, France's European role is seriously curtailed—the country's financial resources are being drained by the war; recruitments have resulted in a manpower shortage; the project for the European common market is affected; and the internal political situation is overcharged with tensions.

Washington is no longer making a secret of its dissatisfaction, particularly after the African tour of Vice President Richard M. Nixon. Further evidence of Washington's interest in Algeria came when Senator John F. Kennedy

remarked on July 2 that the United States should back independence for Algeria. President Eisenhower's response to this suggestion was not enthusiastic, although he indicated that the United States was attempting to play the role of peacemaker by being decent and fair to both sides.

America's newly found interest in the destiny of Africa inevitably involves Washington in the Algerian drama, all the more since the future of Tunisia and Morocco is inextricably tied to a solution in Algeria. The attitude of these two North African countries, in turn, has an important bearing on the Eisenhower Doctrine for the Middle East. Tunisia, under the vigorous leadership of Habib Bourgiba, is one of the most progressive and pro-Western nations along the vital southern sector of the Mediterranean. The forthcoming visit to Washington of the sultan of Morocco, Mohammed V, is indicative of the importance attached to a country of considerable strategic value which is the site of United States Air Force bases.

Possibly more important still is the impact of the Algerian situation on relations between France and its West European allies. France's

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diminished role within the North Atlantic Treaty Organization and the virtual transfer of its NATO divisions to the Maghreb may not alter the balance of power between East and West. The latter move is resented, however, as forcing the Algerian issue on Europe at a time when several countries seek closer trade and political relations with Asia and the Middle East.

France appears divided between those, still representing a majority, who hope for the emergence of a last-minute solution, and an articulate and influential minority who want the issue to be "internationalized." The former believe that the task assigned to the army of "pacifying" Algeria will prove successful; the latter propose that NATO or the United Nations find a formula capable of protecting French interests.

The military approach is not likely to solve the problem. Guerrilla forces can successfully sustain pressure by large armies while introducing an element of exasperation among troops who never know when the sniper will strike or the bomb explode in their midst. Past experience has shown that under similar conditions, when excesses are being committed, no army can be restrained effectively. The same consideration applies, of course, to underground armies, especially when they represent the instrument of several antagonistic political groups. But to investigate which side started the chain of excesses would be quite useless at this stage.

The only constructive lesson which can be derived from the situation is

that unless violence is halted, no solution can possibly emerge. Before a cease-fire can be negotiated, however, the parties must have clear plans for the future. Paris must know whether it will agree to let the Algerians decide their future, provided firm assurances are given for the protection of the lives and property of both French "colons" and Muslims, all of whom have French citizenship. The underground must be willing to assume a similar engagement, without any group presuming to represent or speak for the Algerian people. Tunisia and Morocco could mediate with the Algerians; Washington or NATO, with the French; while the United Nations could supervise an eventual agreement. Two basic conditions must prevail: that there be neither victors nor vanquished and that national sensibilities be fully protected.

The Danger Ahead

This last point is especially important if a war is to be avoided which neither side could really hope to win. However, the most serious mistake the West could make, in Africa as in the Middle East, is to underestimate the drive, the power and the earnestness of nationalism. It is meager consolation to say that the far more savage and lawless Soviet imperialism represents the true enemy, not France's attempt to suppress nationalist feelings in Algeria. Such an observation does not bring the North Africa issue closer to a solution. The main problem is to avoid conditions whereby national-

ism in the Maghreb will prove antagonistic to Western ideals and purposes. Any effort to suppress or ignore nationalism fails to consider that the drive for national independence is one of the major forces shaping the world today. Denunciation of Soviet imperialism loses much of its impact, and the Kremlin's propaganda stands to gain, so long as a movement for independence is being suppressed within the free world.

Despite their serious divergences, the nationalist parties seem to be agreed that Algeria ought to form, with Tunisia and Morocco, a North African federation. Within this framework France may find the needed assurances for its interests and extend to Algeria the friendly relations it had established with Tunisia and Morocco but which are now seriously threatened by bloodshed in the Maghreb. In his moving account of life in the French army in Algeria, Jean-Jacques Servan-Schreiber, writing for *L'Express* of Paris, has recounted the struggle within the nationalist movement between the "Stalinists," who advocate a total break with France and the expulsion of all French colonists, and the "Bourgeoisists," who favor, as does the Tunisian premier, an agreement with the local French population. Should the "Stalinists" prevail, and they well may in the long run, all contact will be lost with Algeria, not only for France but also for the West.

Writer and lecturer, Mr. Rossi for the past four years has reported for *The Christian Science Monitor* on Middle Eastern, South-east Asian and North African events as reflected at the United Nations.

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Disarmament Obstacles

With the prospect that the London negotiations on disarmament may eventually lead to a ban on nuclear weapons tests, much false optimism has sprung up all over the country based on the belief that disarmament is imminent. Discouraging as it may be, however, a disarmament agreement is not just around the corner. Anyone who thinks so is deluding himself. Even Secretary Dulles' recent cautious comment that a first step toward disarmament could not be taken before next year is greatly overoptimistic.

The Complexities Involved

Numerous problems make disarmament the most difficult of all East-West issues. It has been with us a decade, to be sure, but what makes it supremely important today is that for the first time in that period both East and West seriously want, if not disarmament, at least an arms reduction. Actually "disarmament" is not the right word to describe what is under discussion in London. It is rather "reduction in arms," a joint rein to an arms race. But even though for the first time both sides are genuinely interested in negotiations about disarmament, the differences and divergences are extreme.

The West is not going to trust Soviet words, however honeyed, and will insist on built-in guarantees. The West will not agree to a ban on nuclear tests unless the ban is part of a general disarmament plan. The Soviets would like a ban, for it would tie our hands, not theirs, as they would ignore it at will. The Western nations, because of conscience and their democratic processes, would be kept from breaking such an agree-

ment. Moscow would also like a ban on testing as a solitary agreement, for that would put Russia in a much better military position than the West. Today the chief Western nations are reshaping their strategy around nuclear weapons; eliminate their use, and the Soviets, with their overwhelming manpower, gain an obvious advantage.

What has really prompted serious disarmament negotiations is that now Moscow and Washington know for sure that a nuclear war will destroy them both. And as things now stand, both sides are well enough armed with nuclear weapons to about balance their respective strengths. It is that ascending balance that is beginning to break the economic backs of these countries, and both see the logic and wisdom of at least reducing their arms burdens.

The details on disarmament will remain incredibly complicated even if there were achieved an agreement in principle on arms reduction, a temporary moratorium on bomb testing, measures for limiting bomb production, some beginning at aerial inspection, and cutbacks in conventional weapons and troop strength. Aerial inspection, for example, sounds simple, but the questions that must be settled before any agreement is signed are myriad: the area to be inspected, the equipment to be used, the make-up of the crew, the frequency of the checks, the interpretation of the results, and others. Complicated questions also arise with respect to any cut in conventional weapons or troop strength: how to be sure the parties are living up to the agreement, what places to check, what method of checking, who will do the checking,

and also how extensively.

One thing that has made Washington cautious about any agreement with the Soviets, particularly on a freeze on testing, is the factor of indecision about nuclear weapons development. The United States wants a family of nuclear weapons, and in fact has one. But who is to say that today's nuclear weapons family is the ideal one? Actually progress in improving nuclear weapons is going on so fast that no one knows what the ideal weapons family of tomorrow will be like.

Effect of a 'Clean' Bomb

The possibility of producing "clean" nuclear bombs has but added to present uncertainties and hesitations. It is obvious that certain officials and nuclear scientists are excited about building a clean bomb before long. And it has been suggested Washington may now be more reluctant to agree to any ban on bomb testing because of this prospect. However, if a breakthrough in the production of a clean nuclear bomb can be made, it probably will be accomplished long before, and quite regardless of, any prospective disarmament agreement.

It has taken the world ten years just to turn on the key to the disarmament engine. It will be no surprise if it takes a few more years to shift it into first gear. What is encouraging is that arms limitation is being seriously debated, although, in part, with propaganda overtones. But it is distinctly discouraging that numerous and complex obstacles exist to even a first-step agreement.

NEAL STANFORD



Japan's Year of Decisions

Tokyo—On one who visits Japan for the first time, this most industrialized and technologically advanced nation of the non-Western world produces a tremendous impact.

Tokyo ranks first above London and New York, with its population of 8.4 million spread over a vast area, is growing by leaps and bounds. Outside the quiet oasis of the moated Imperial Palace all is bustle and strident noise. New buildings are rising on all sides. The streets are jammed with vehicles of all kinds—including Japan-manufactured cars, which Tokyo hopes to introduce into the American market—whose drivers seem to derive a sort of machine-age joy from the loud honking of their horns. Impressive department stores are filled with a variety of goods matching those of the United States. And customers, who with increased wages and relatively stable food prices and rents have money in their pockets, are busy satisfying new needs.

Yet beneath this outward surface there is a sense of unease about the future. Having achieved a phenomenal recovery in the decade since the greatest military defeat in its history, Japan has suddenly been confronted this year with grave economic decisions, which in turn involve decisions about internal politics and about its future role in world affairs.

The need for a fresh look has been crystallized by two major developments: realization that Japan has overextended itself economically, and Washington's reorganization of its military policy which causes Tokyo both satisfaction and concern.

The Japanese are pleased and proud to have emerged from the disaster of the Pacific war with a more

advanced economy and a 20 percent higher living standard than they enjoyed in the 1930's, when they had a population of 70 million as compared with 90 million today. But they wonder how they can maintain the levels of production and export they have achieved by their remarkable ingenuity and industriousness, particularly if they should have to divert manpower and money to their own defense now that the United States is tapering off its military commitments in Japan.

Raw Materials Plus Markets

Put in the bluntest terms, Japan once again faces the dilemma which harassed its pre-World War II leaders and finally induced them to embark on an attempt to conquer mainland China and Southeast Asia. Their dilemma is starkly clear. Japan, pinned into a cluster of islands which lack the principal raw materials essential for modern industry and having developed a highly industrialized economy, must import raw materials. To do this it must find expanding markets where it can sell its manufactured goods, preferably for hard currencies, American and Canadian dollars and pounds sterling.

This raw-materials-plus-export-markets dilemma had been temporarily relieved by United States military and defense-support expenditures in Japan, first during the occupation and then during the Korean war, when Japan served as a supply base for United Nations troops. American expenditures, in any case nonrenewable (unless war is resumed in Korea, which the Japanese are the last to wish for), will be further reduced now that the United

States plans to withdraw some 25,000 ground combat troops and has transferred the Far Eastern Command from Tokyo to Hawaii. Troop withdrawal alone, it is estimated, will reduce spending by American military personnel by \$100 million.

The United States plans to cushion the impact of this change-over by increasing military procurement in Japan of items needed to provide military assistance and economic aid to Asian nations. This, however, cannot of itself provide a long-term alleviation of Japan's economic problem, which is now clearly seen as a widening gap between its expenditures on imports—notably raw materials and capital goods for industrial expansion—and receipts on its exports.

The man in the street is still unaware of this problem and looks forward to the continuance of the current high employment and boom prosperity. Even government officials have been slow to recognize the possible consequences of the country's economic difficulties. At first, former Finance Minister Hayato Ikeda thought that financial controls would be sufficient to deal with the crisis. But the governor of the Central Bank, Masamichi Yamagiwa, and a five-man brain trust of economic experts appointed by Prime Minister Nobusuke Kishi urged a stern overall plan to check the deterioration of Japan's international monetary position.

New Economic Policy

On the eve of Mr. Kishi's departure for Washington, the cabinet on June 14 approved a series of over-all economic measures drafted earlier by

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Current Trends in Poland

by John Michael Montias

Mr. Montias, who will teach at Yale University next year, was formerly an economic analyst at the UN Secretariat. He was in Poland on a Ford Foundation grant from September to November 1956, and recently he accompanied, as a consultant, both the Rockefeller Foundation and the Ford Foundation delegations to Poland.

By granting economic aid to Poland in June, the United States banked on the considered view of government specialists and of the American Embassy in Warsaw that the Communist government of Wladyslaw Gomulka is more independent of Moscow and more concerned with the welfare of the Polish population than any Warsaw regime since the end of World War II. At present, nevertheless, Gomulka is not free to lead the country as he pleases, for he must contend with the Stalinists in the Communist party and with Soviet interference. Despite his precarious domestic and international situation, he has tolerated wide discussion of political and economic issues. In recent months free communication among people and the new personnel policies of the government have done even more than the press to bring about profound changes in the fabric of Polish society, changes that cannot easily be observed except within Poland.

A Freer Press

The Polish press, including literary weeklies, youth periodicals and the economic papers, played a crucial role in the year preceding Gomulka's accession to power last October by venting the discontent of liberal elements in the United Workers' (Communist) party and by sounding at least an echo of the population's distress. These protests, which became louder and sharper after the Poznan riots of June 1956, provided the first real communion between the writers and the readers of mass propaganda

in over ten years of totalitarian rule.

These writers helped to create the united national front, which the Soviets have never dared to challenge openly since their abortive attempt to nip Polish aspirations toward independence by interfering in the plenum debates of the Central Committee of the party on October 19, and 20, 1956. Neither Marshal Konstantin Rokossovsky's troops converging on Warsaw, nor the personal threats of the first secretary of Russia's Communist party, Nikita S. Khrushchev, could intimidate the Poles, who were ready by that time to fight for their freedom even under the leadership of national Communists.

After October, considerations of foreign policy—and in particular the fear of antagonizing the U.S.S.R. and of provoking military intervention—prompted a more stringent censorship policy. Despite this control and the campaign against "revisionists," who would like to effect immediate radical changes in politics and in the economy, liberal publicists have been able to express many of the self-evident truths which had galvanized the nation a few months earlier. They still continue to clamor for liberalization and for national sovereignty, although they must now garb their opinions in tactful words and euphemisms. Yet, it would be an error at this date to test the most recent progress of Poland toward freedom and independence by every subtle change in the tone of political articles or in the government's censorship policy.

By the early months of 1957 the press had already lost its exclusive intermediary position between the governing elite and the people. The written word was gradually displaced from its vantage point by the other powerful means of social intercourse which knit together the people of nontotalitarian nations. The chief such means are personal contacts between individuals, the free and open discussion of ideas, and the participation of the populace in the business of running the country. The re-emergence of these contacts only became possible after the security police had loosened its fearful grip on the nation and after political and economic responsibilities had been diffused by a liberal personnel policy, which in effect broke the monopoly power of the Communist apparatus.

Person-to-Person Contacts

It is necessary to talk with workers, with officials or with students to realize that the press could be totally muzzled today, and yet, as long as communication channels between classes and occupational groups still flowed freely, the evolution away from totalitarianism would continue. It would take years of terror to erect new walls of silence around each individual. As long as Gomulka and his supporters can convey their basic desire for political independence from the Soviet Union through the "grapevine" of personal relationships from the highest to the lowest levels, and as long as ideas can be debated by all without fear, the country will remain united on the basic issues of

sovereignty, justice and individual liberty.

The personnel policy of the new regime has been effective in carrying out democratization, even though changes have been unobtrusive and generally inoffensive to the old Communist clique. With very few exceptions, the discredited chieftains of the early 1950's have been allowed to retain important posts when they could have been expelled to the Soviet Union or demoted to humbler stations. The Gomulka regime, instead of expelling or overturning the ruling aristocracy, "packed" it by appointing well-educated experts and specialists of prewar reputation, as well as younger revisionists still fresh from the universities, to work side by side with "compromised" officials in influential posts. For example, the power of Stefan Jedrychowski, the conservative chief of the Planning Commission, has been whittled away by the formation of an Economic Council attached to the Council of Ministers. It consists of 35 experts, under the day-to-day leadership of Czeslaw Bobrowski, who has recently returned from six years of self-imposed exile in Paris. The universities have also reactivated or reinstated many eminent professors who had not taught in years. They now offset the influence of the Marxist dogmatists who formerly held exclusive rights to the enlightenment of student youth.

In the administration of the state and in the universities the proliferation of posts and their duplication have recently gone so far as to produce some economic waste. But this balancing and neutralizing process has been beneficial in curbing the autarchic power of conservatives and Stalinists, who have been won over at least to nominal cooperation with the new regime instead of being bludgeoned by outright dismissal or

by any other intransigent policy into a fighting opposition. Viewed in this light, the reappointment last February of Zenon Nowak, one of the leaders of the Soviet-oriented Natolin group, to the post of vice-premier was a sensible move, which did not necessarily imperil the hard-won independence of the nation. Indeed, now that the army and the police appear to be in reliable hands and the regime has become more sensitive to the popular will, individual appointments and personalities have become far less important than they were in the monolithic system of the past.

New Changes

Evidence of the diffusion of power is clearest in the economic administration of socialized enterprises. The activities of the Workers' Councils with their very real influence on the general policy of their enterprises have been most publicized. But it is also remarkable to observe how much the ties between the management of firms and their supervisory administrative organs have also been loosened. Firms are no longer bound by do-or-die obligations to meet arbitrary plans but must be blandished into complaisant subordination to the planners' guidance. Hence there has been much talk of bonuses and profit schemes that would induce managers of plants and their staffs to carry out the economic policy of the central authorities.

Several economic writers in the revisionist periodicals *Za i Przeciw* ("For and Against") and *Zycie Gospodarcze* ("Economic Life") have made it clear that they conceived this style of decentralization as part of the process of reintroducing democracy into the life of the country. Their arguments actually tie in closely with those of Western economists, such as Friedrich Hayek, Lionel Robbins and Wilhelm Röpke, who also maintain

that political freedom cannot subsist without a measure of individual initiative in all spheres of economic activity. However, the young Polish economists, unlike the Western economists cited, believe that a high degree of initiative is compatible with state ownership of the means of production.

There is little controversy in present-day economic thought in Poland between Marxists and non-Marxists or between proponents of capitalism and proponents of socialism. The main line of cleavage divides the revisionists—who are for economic guidance by remote control with emphasis on the price mechanism and on profit incentives—from the old guard of conservative economists, who favor "administrative planning," or the carrying out of planners' goals by bureaucratic directives. Best known in the first group are Wlodzimierz Brus, Joseph Pajestka and Stefan Kurowski; in the second, Jedrychowski, Eugeniusz Szyr and Kazimierz Secomski. It appears that Gomulka's principal advisers, Czeslaw Bobrowski and Oskar Lange, stand somewhere between the two extremes.

This revisionist trend of thought is perhaps only a passing stage on the road to more radical positions. Today's writers tomorrow may extol the merits of private enterprise at the expense of socialism, whether centralized or decentralized. But even the most "enraged" of these economists are not willing at this time to go so far, partly out of political prudence, partly out of the habits of thought of former years when the smallest concessions from Communist orthodoxy were to be obtained only by dint of patient effort, for nothing but personal harm could come from extravagant demands.

The economic sphere is not the only one where a new rapport has

been established between decision-makers and their subordinates. Even the job of keeping the press in check, which had been so simple under the old absolute dictatorship when every piece had to be written according to directives from above, has become a very delicate operation. Recently an important social and political weekly submitted for publication a series of articles which a high official of the party and government found so offensive that he censored them and threatened to dissolve the publication or to throw out the whole editorial board. While negotiations were going on, the names of all members of the board were printed on the back page so that the public might be made aware, in forthcoming issues, of any government action with respect to the composition of the staff. As a result, the paper was able to save most of its leading writers. That the party feared to antagonize the public by openly firing members of the board is quite significant, as is the fact that the paper could fight back so effectively by means of this subterfuge.

Power of Public Opinion

The Polish Communists now realize that public opinion is an authentic force to be reckoned with, which cannot be remodeled by propaganda or cowed into silence by terror. In this spirit of responsibility toward the whole nation, the present leaders of the party are studying the living conditions of the people with a view to improving them. They have caused the investigations of family budgets to be resumed that had been interrupted since the real wages of industrial workers started to fall in 1950; and specialists attached to the Economic Council are using the first results to measure the effect of changes in retail prices on the situation of the poorest classes of the population.

Once all the various centrifugal forces are taken into account, it is evident that the conservatives delude themselves who believe that the party machinery which they control is the "driveshaft without which Gomulka holds the wheel of power but cannot govern." The metaphor may have been appropriate in the old regime of fear where the various party organs were essential links in the chain of command. But it has lost its meaning now that the business of the nation is carried on to an increasing extent by specialists who do not depend on the party either for orders or for inspiration. Even in the provinces, which until recently were under the strong hand of local bosses, people are beginning to run their affairs independently.

Yet the power and ambition of the party professionals, who stand to lose their jobs if the diffusion of power continues, must not be sold short, for they rely on their Soviet allies as well as on their own disruptive forces. The danger is not so much that they can take over the country by themselves but that Russia may press for a "strong government" where their influence might eventually prevail. The archconservative Boleslaw Piasecki fired the opening broadside of the fight at the ninth plenum last May in an article which set forth this and other Soviet desiderata with the utmost candor. Fortunately, the "centrists" and the liberals were able to confound the "men who write with ink imported from the East" in the plenum meeting of the Central Committee; but all these party stalwarts are again nursing their strength for the final showdown in December at the third party congress, which the Soviet Union may seek to swing against Gomulka by propaganda, military threats and economic pressure.

The Soviet-oriented forces in the

party cannot succeed if the nation continues to accord its basic support to the present leadership. It is rumored that Gomulka's threat to bring his case before the nation by radio address and by personal appearances has already been used to quell the opposition in a major party fight. The conservatives are well aware that only foreign intervention could save them once such a direct appeal were made against them. The danger is that Gomulka may alienate the masses in the forthcoming months either by allowing their economic situation to deteriorate or by making a misguided attempt to sap the insidious democratization now going on at all levels of Polish society.

As far as could be observed in Poland last May and June, the present government is doing everything in its power to stave off the economic peril by cutting back investments in heavy industry and expenditures on its armed forces, by negotiating for credits from the United States and from Western Europe, and by denying to the Soviet overlords the benefits of economic exploitation which they had been exacting from Poland since the end of World War II. On the other hand, even though Gomulka has carefully maintained his status as a bona fide Communist by virtue of his Soviet-line foreign policy and by his occasional fulminations against revisionists, he has made no serious move to dam up the torrent of spontaneous liberalization now sweeping away the remains of Polish Stalinism.

READING SUGGESTIONS: K. S. Karol, "Gomulka and the Intellectuals," *New Statesman and Nation*, April 13, 1957; L. Labedz, "The Polish Road to Socialism," *Soviet Survey* (London), January 1957; Czesław Miłosz, "Anti-Semitism in Poland," *Problems of Communism*, May-June 1957; John Michael Montias, "Unbinding the Polish Economy," *Foreign Affairs*, April 1957; and Peter Wiles, "In a Land of Unwashed Brains: A Polish Scrapbook," *Encounter*, October 1956.

Spotlight

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the ruling Liberal-Democratic party. These measures include intensive export promotion, such as the famed export finance system to increase exports; curbing of imports; wide retrenchment of state investment and loan programs; deferment of investment in plants which are not key industries and even in some key industries; tighter controls on financial policy, accompanied by efforts to help small industries; price stabilization; and new foreign credits, including a loan of \$125 million from the International Monetary Fund and projected borrowing from the World Bank and the Export-Import Bank of the United States.

Japan's predicament is that any economic move it makes threatens to create new problems. Cuts in government spending—particularly on housing, of which, with the growth of population, there is a dire shortage—will lower living standards. Emphasis on large-scale production for export may drive small enterprises manufacturing for internal consumption to the wall, creating unemployment. In turn, unemployment would weaken the position of the Liberal-Democratic party and play into the hands of the opposition party, the Socialists. And efforts to push Japanese exports invariably arouse hos-

tility in hard-currency countries, notably Britain and the United States.

Hard Economic Facts

The hard economic facts are that even with the best will in the world, Britain, the Commonwealth and the United States cannot provide the markets Japan needs for its exports, if for no other reason than that they produce much the same goods, often better, even though sometimes more expensively. Recognizing this, Mr. Kishi has proposed the establishment of a South Asia Development Fund, chiefly with United States financial contributions, under which Japan would supply manufactured goods of all kinds to the industrially less developed countries of Southeast Asia, obtaining from them the raw materials it needs.

So far, the Asian response to this proposal can only be described as cool. Except for Thailand, which escaped Japanese conquest in World War II, most of the countries of this area suffered from Japanese invasion and deprivation, and are not roused by visions of a plan which reminds them of Tokyo's wartime slogan for a "Coprosperty Sphere." Moreover, these countries, notably the Philippines and Indonesia, demand reparations in kind from Japan. None of them wants to see Japan acting as a sort of major-domo for Washington,

and all prefer to get aid from the United States direct, to be spent as they think best for their own needs. They also fear that Japan's proposal would prevent their industrialization.

The prospect for the fund, then, is distinctly dim. Japan hopes to enlist the support of India, which has already benefited by Japanese experience in rice growing and the development of small industries. Meanwhile, they talk of trade with Communist China, although they recognize that the Chinese, now engaged in an industrialization program of their own, may be unable to export much in the way of the raw materials Japan needs. What the Japanese hope for is to participate jointly with the Chinese in developing new raw materials.

But in one way or another Japan has to solve its raw-materials-plus-exports dilemma if it is to maintain its high living standard and avoid social unrest and political strains. Twenty years later, with 20 million people more, Japan faces the same problems it did before it turned to war and conquest in the early 1930's. War proved an ineffective instrument of economic policy; now Japan, with the aid of the United States and the United Nations, hopes to find a peaceful way out of its difficulties.

VERA MICHELES DEAN

(The first of two articles on Japan.)

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